


MultiCare  BetterConnected	Administrative
	Title: Financial Assistance
	Scope: This policy applies to patients who may need Charity Care or Financial Assistance for the services received within the facilities of MultiCare Health System ("MHS"), excluding MultiCare Express Clinics and virtual visits.
	Policy Statement: MHS is guided by a mission to provide high quality, patient-centered care. We are committed to serving all patients, including those who lack health insurance coverage and who cannot pay for all or part of the essential care they receive. We are committed to treating all patients with compassion. We are committed to maintaining Financial Assistance policies that are consistent with our mission and values and that take into account an individual's ability to pay for medically necessary health care services.
	Definitions: <ol style="list-style-type: none"> 1. "Application Period" begins on the date health care services are provided and ends on the 240th day after MHS provides the patient with the first billing statement for care for patients over 200% of the Federal Poverty Limit. 2. "Collection Efforts" and "Extraordinary Collections Actions" (ECA) are defined by the MHS Collection Guidelines policy. 3. "Charity Care" and/or "Financial Assistance" means appropriate medical services provided to Eligible Persons. When communicating with patients, the phrase "Financial Assistance" will be used in lieu of "Charity Care." Both terms are synonymous with one another for the purposes of this policy and MHS billing statements. 4. "Income" is defined per WAC 246-453-010(17) as total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony and net earnings from business and investment

	<p>activities.</p> <ol style="list-style-type: none"> 5. "Eligible Persons" is defined as those patients who have exhausted any third-party sources and whose income is equal to or below 300% and up to 500% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third party payer. 6. "Family" is defined per WAC 246-453-010 (18) as a group of two or more persons related by birth, marriage or adoption that live together; all such related persons are considered as members of one family. 7. "Medically Necessary" is defined per WAC 246-453-010 (7) as appropriate hospital-based medical services 8. "Notification Period" begins on the date health care services are provided and ends on the 120th day after MHS provides the Responsible Party with the first billing statement for care. 9. "Responsible Party" means that individual who is responsible for the payment of any hospital charges which are not subject to third party sponsorship.
	<p>Policy Guidelines:</p> <p>This policy provides a guideline for making consistent and objective decisions regarding eligibility for Financial Assistance. Financial Assistance is available for medically necessary health care services (to include emergency care) provided by MHS.</p> <p>Emergency care will be provided to patients regardless of their ability to pay. MHS shall allocate resources to identify charity cases and provide uncompensated care per RCW 70.170 and WAC 246-453. See MHS Policy: Emergency Medical Treatment and Active Labor (EMTALA), Compliance With. MHS supports the state-wide voluntary pledge of hospitals to provide Financial Assistance to Eligible Persons in accordance with the methodology provided and updated annually by the Washington State Hospital Association.</p> <p>Consideration for Financial Assistance will be given equally to all qualifying individuals, regardless of race, color, sex, religion, age, national origin, veteran's status, marital status, sexual orientation, immigration status or other</p>

legally protected status. See MHS Policy: Patient Nondiscrimination
All information relating to the Financial Assistance application is confidential and protected by HIPAA guidelines. See HIPAA Privacy Compliance – Administrative policy.

This policy addresses eligibility and qualification regarding Financial Assistance for free and discounted care, including;

a) 100% Financial Assistance - Income levels at or below 300% of the federal poverty limit (FPL); or

b) Sliding Scale Financial Assistance - Income levels between 300.5% and 500% of the FPL

Procedure:

Eligibility Criteria

In order for a Responsible Party to be considered eligible for Financial Assistance, certain criteria must be met, specifically the following:

A. Exhaustion of All Funding Sources

1. Any of the following sources must first be exhausted before a Responsible Party will be considered for Financial Assistance:
 - a. Group or individual medical plans
 - b. Workers compensation programs
 - c. Medicaid programs
 - d. Other state, federal or military programs
 - e. Third party liability situations (e.g., auto accidents or personal injuries)
 - f. Any other persons or entities having a legal responsibility to pay
 - g. Health saving account (HSA) funds. MHS may require a Responsible Party to fully utilize any available funds from HSA to satisfy outstanding balances.
2. MHS will pursue payment from any available third party payer source. The remaining patient liability will be eligible for Financial Assistance based on the criteria in this policy.

B. Accurate Completion of Financial Assistance application.

1. If the application places an unreasonable burden on the responsible party, then the application process will not be imposed.

C. Medicaid Eligibility Within 90 Days of Services in Lieu of Application

1. Medicaid eligibility within (90) days of date of services is equal to or the same as a Financial Assistance application and may be used to qualify the Responsible Party for 100% Financial Assistance except

for spend down amounts. Proof of eligibility will be the presence of Medicaid coverage during the applicable timeframe in the patient's coverage record in Epic.

2. If a Responsible Party fails to cooperate with the Medicaid determination process, the Responsible Party will not be eligible for Financial Assistance.

D. Presumptive or Extraordinary Circumstances

1. The Responsible Party may qualify for Financial Assistance based on presumptive or extraordinary life circumstances, as outlined in the relevant Section, below.

E. Medically Necessary Health Care Services Rendered

- a. Services given to the patient must be medically necessary and not elective.
- b. Scheduled services that appear to not be medically necessary will be reviewed by Utilization Management prior to the date of service.

F. Account Within Application Period

1. An account aged beyond the Application Period will not be considered eligible for Financial Assistance unless they are 200% or below the Federal Poverty Limits.

Proof of Income

In order for the Responsible Party to demonstrate financial eligibility for Financial Assistance, the following criteria shall be used:

A. Income Verification

1. One or more of the following types of documentation will be acceptable for purposes of verifying income:
 - a. W2 withholding statements
 - b. Payroll check stubs
 - c. Most recent filed IRS tax returns
 - d. Determination of Medicaid and/or state-funded medical assistance
 - e. Determination of eligibility for unemployment compensation
 - f. Written statements from employers or welfare agencies
2. For Social Security and Pension benefits, bank statements may be used to demonstrate the consistent monthly deposit.
3. In the event the responsible party is unable to provide the documentation described above, MHS may rely upon the written and signed statements from the responsible party for making a final determination of eligibility.
4. MHS may also use third party verification of ability to pay

B. Calculation of Income

1. MHS will use the following guidelines to calculate income
 - a. All Family income will be included in the calculation.
 - b. Income information should be for the period just prior to the application and in the same year as when the health care services were provided.
 - c. Three months of gross income will be multiplied by four.
 - d. If the income is inconsistent over the last twelve months, then the quarter with the least amount of earnings will be multiplied by four.
 - e. If the income is consistent across the last twelve months, then the previous twelve-month total will be used.
 - f. Calculation of income for prior year health care services will be based on prior year tax returns whenever possible or full year W2s

Process for Determination of Eligibility

1. Financial Assistance staff will review the application to determine eligibility.
2. An incomplete application will not immediately result in a denied application. The Responsible Party will be provided a letter specifying missing information and ECA will be suspended for thirty (30) days. The letter will also specify that after thirty (30) days, ECA or collection activity may resume.
3. If approved, a written notice of eligibility will be sent to the applicant within fourteen (14) calendar days from receipt of the complete application. This notice will include the amount for which the Eligible Persons is financially responsible, if any.
4. Approvals will be valid for 90 days and a new application will be required after such time.
5. If denied, a written notice of denial will be sent to the applicant within fourteen (14) calendar days of receipt of application. Applications may be denied due to being incomplete or unsigned or those with information that indicates the applicant's income exceeds guidelines. The Responsible Party will be provided with a reason for the denial and the process for submitting an appeal.
6. Collection efforts may begin if no appeal has been received within thirty (30) calendar days upon receipt of notification, in accordance with the MHS Policy: Collection Guidelines, Patient Accounts

Appeals

The Responsible Party may appeal a denial of eligibility for Financial Assistance by providing additional verification of income or family size

within thirty (30) calendar days of receipt of notification of denial. Within the first fourteen (14) calendar days of this appeal period, the Responsible Party's account will not be referred to an external collection agency. After fourteen (14) calendar days, collection actions in accordance with the MHS Policy: Collection Guidelines, Patient Accounts may be initiated. All appeals will be reviewed and approved or denied by the Manager, Patient Financial Experience. If an appeal is denied, it will be presented to the Administrator of Revenue Integrity, Vice President of Revenue Cycle or Chief Financial Officer (CFO) for final determination. If this determination affirms the previous denial of Financial Assistance, written notification will be sent to the Responsible Party and the Department of Health in accordance with state law.

Application of Financial Assistance Discount Levels

Financial Assistance applies to combined balances for all open accounts for the Responsible Party at time of application submission. The amount owed by an Eligible Person qualifying under this Financial Assistance policy will not exceed amounts generally billed to a Responsible Party not receiving assistance. The method used to calculate the discount to an Eligible Person's balance will be based on an annual retrospective analysis. A rate will be determined for each hospital. This will be calculated using a Look-Back Method pulling a year of claims that have paid in full for Medicare and private/commercial health insurance Responsible Party to determine the "Amount Generally Billed".

1. All balances will be given Financial Assistance based on the FPL guidelines in Appendix A.
2. If an Eligible Person's residence is in Hawaii or Alaska, the associated FPL guidelines for those states will be utilized to make the determination of assistance.

Financial Assistance Applications will be considered on an individual account balance basis. Approvals on applications and adjustments will be authorized as follows:

1. Patient Financial Experience Financial Counselors: \$0.01 - \$4,999
2. Patient Financial Experience Supervisor: \$5,000 - \$49,999
3. Patient Financial Experience Manager/Revenue Cycle Director: \$50,000 - \$99,999
4. Administrator Revenue Integrity: \$100,000 - \$499,999
5. Vice President: \$499,999 - \$999,999
6. SVP, CFO: \$1,000,000 - \$2,999,999

Volume of applications and adherence to this policy will be tracked and audited on a monthly basis. This report will be reviewed and signed by the Vice President of Revenue Cycle or Administrator of Revenue Integrity.

Presumptive or Extraordinary Financial Assistance Eligibility

Eligibility may be determined presumptively or beyond the guidelines set above on the basis of individual life circumstances:

1. MHS may use outside agencies in pre-determining Financial Assistance eligibility and potential discount amounts.
2. MHS may utilize third party vendor software or software applications to determine an account's collectability. This is a "soft" credit check and will not impact the Responsible Party's credit standing. If these reviews determine that the household income meets the guidelines for Financial Assistance, aid will be granted without an application.

Further, extraordinary life circumstances may also warrant Financial Assistance. Examples of such circumstances may include:

1. Homeless Persons

A homeless person is an individual who has no home or place of residence and depends on charity or public assistance. Such individuals will be eligible for Financial Assistance, even if they are unable to provide all of the documentation required for the Financial Assistance application.

2. Deceased Patients

The charges incurred by a patient who expires may still be considered eligible for Financial Assistance. For the Financial Assistance application, the deceased patient will count as a family member. Accounts in an "Estate" status or situations where the estate has not been opened are not eligible for Financial Assistance until the Estate is settled.

3. Inmates

A Responsible Party who is incarcerated may be considered eligible in the event the State or County has made a determination that the State or County is not responsible for charges and the inmate/patient is responsible for the bill. Charges incurred while in custody are usually paid through the Law Enforcement Agency and would not qualify for Financial Assistance.

4. Catastrophic Determinations

A Responsible Party may qualify for a Catastrophic Discount. Only medically necessary services are eligible for a Catastrophic Discount. A Catastrophic event will be determined on a case-by-case basis. Catastrophic cases may include extraordinary medical expenses or hardship situations. All income and non-income resources are considered in the determination, to include the responsible party's future income earning potential, especially where his or her ability to work may be limited as a result of illness and/or their ability to make payments over an extended period of time. All of the debt or a portion of the debt may qualify for Financial Assistance. The Supervisor or Manager of Patient Financial Experience will assist in making a catastrophic event application determination.

Additionally, requests for Financial Assistance may originate from other sources including a physician, community or religious groups, social

services, financial services personnel, and/or the Responsible Party.

Collection Efforts for Outstanding Patient Accounts

Pending final eligibility determination, MHS will not initiate collection efforts or requests for deposits, provided that the responsible party within a reasonable time is cooperative with the system's efforts to reach a determination of Financial Assistance eligibility status. ECA may only be initiated 120 days after the date of first billing statement. However, an account will be considered for Financial Assistance up to 240 days after the first statement. Accounts beyond this 240 day period will not be considered eligible for Financial Assistance and MHS will pursue collection efforts.

Collection efforts may begin if no appeal has been received within thirty (30) calendar days of receipt of notification, in accordance with the MHS Policy: Collection Guidelines, Patient Accounts.

The responsible party's financial obligation remaining after application of the sliding fee schedule will follow regular collection procedures to obtain payment, pursuant to Policy.

Failure by the responsible party to reasonably complete the Financial Assistance qualification process shall be sufficient grounds for the hospital to initiate collection efforts directed at the Responsible Party.

In the event that a responsible party pays a portion or all of the charges related to medically necessary health care services, and is subsequently found to have met the Financial Assistance criteria, any payments for services above the qualified amount will be refunded to the Responsible Party within 30 days of the eligibility determination.

Dissemination of MHS Financial Assistance Policy

1. All patients are provided with information about the availability of Financial Assistance upon registration. Additional copies can be requested from the Hospital Financial Counselors or Patient Access Techs within the hospital facilities. Signs advertising Financial Assistance will be posted throughout MHS facilities.
2. This policy, the application, and a plain language summary are available to patients free of charge by contacting the Financial Assistance department at 253-459-8247
3. Financial counselors are available to discuss Financial Assistance options in person at all hospital locations or over the phone for other areas of the health system.
4. Billing Statements sent to Responsible Parties will contain information regarding the availability of Financial Assistance.
5. Written materials are available in English and Spanish.

Wide-reaching community notifications will occur in the following ways:

	<ol style="list-style-type: none"> 1. Available at registration areas of all hospital facilities 2. On MHS website www.multicare.org 3. Distributed in the MHS Healthy Living magazine 4. Upon request, by calling 253-459-8247
	Related Policies: MultiCare P & P: "Uninsured Prompt Pay Discounts" MultiCare P & P: "Patient Payment Plans- Hospital Billing & Physician Billing" MultiCare P & P: "Emergency Medical Treatment and Active Labor (EMTALA), Compliance with MultiCare P & P: "Collection Guidelines: Patient Accounts" MultiCare P&P: "Authorization: Expenditures and Commitments" MultiCare P&P: "Patient Non-Discrimination Policy"
	Related Forms: Proof of Income for Financial Assistance Instruction Sheet Financial Assistance Application Financial Assistance Letter to Patients Appendix A- Financial Assistance
	References: WAC 246-453 Federal Register Vol 77, No 123, June 26, 2012 Proposed Rule
	Point of Contact: Administrator, Revenue Integrity 253-459-8075
Approval By: Quality Steering Council	Date of Approval: 7/12; 8/13; 7/14; 4/15
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Distribution: MHS Intranet

Previously Titled: Charity Care and Financial Assistance (prior to 9/14)

Financial Assistance						
Appendix A						
2015						
FAMILY SIZE	Gross Annual Income	300%	350%	400%	450%	500%
1	\$11,770	\$35,310	\$41,195	\$47,080	\$52,965	\$58,850
2	\$15,930	\$47,790	\$55,755	\$63,720	\$71,685	\$79,650
3	\$20,090	\$60,270	\$70,315	\$80,360	\$90,405	\$100,450
4	\$24,250	\$72,750	\$84,875	\$97,000	\$109,125	\$121,250
5	\$28,410	\$85,230	\$99,435	\$113,640	\$127,845	\$142,050
6	\$32,570	\$97,710	\$113,995	\$130,280	\$146,565	\$162,850
7	\$36,730	\$110,190	\$128,555	\$146,920	\$165,285	\$183,650
8	\$40,890	\$122,670	\$143,115	\$163,560	\$184,005	\$204,450
9	\$44,150	\$132,450	\$154,525	\$176,600	\$198,675	\$220,750
10	\$48,310	\$144,930	\$169,085	\$193,240	\$217,395	\$241,550
EACH ADD'L	\$4,160					
	Poverty Level, Up To					
		300%	350%	400%	450%	500%
	Charity Discount, %					
		100%	95%	90%	80%	70%
	Patient Responsibility, %					
		0%	5%	10%	20%	30%